



General Law Committee Testimony
By David Golub, Sr. VP of Administration
The Golub Corporation- Price Chopper Supermarkets
Thursday, February 21, 2013
Testimony in opposition to HB No. 5419

Price Chopper Supermarkets would like to submit our strong opposition to HB No. 5419 An Act Concerning Retail Gasoline Rewards Programs.

As a promotional retail supermarket chain, we offer many different programs providing customers with savings and value opportunities. Each of these programs is designed to drive customer traffic and loyalty, while staying within our budgetary constraints. Each program that we develop has an expected sales result at a projected cost. Due to the fact that we work on razor thin margins in the supermarket industry, there is a limit to what we can afford to spend on promotions.

We currently have a gas rewards program that we do in conjunction with Sunoco fuel stations. We voluntarily offer this promotion across the six states in which we operate as an incentive for customers to shop with us. This promotion is very expensive for us to offer under our current program rules, and is offered consistently in each state. The proposed CT legislative change, that extends the current 60 day requirement for customers to use their points, would be very costly to us and may even cause us to discontinue of this type of promotion in CT. Discontinuing the program could cause some customers to shop at our stores in neighboring states to obtain fuel points, which would result in a loss of revenue for CT.

Fuel points are earned residually and are not purchased, therefore, they function like many other promotions which require redemption within a specific timeframe. With our current two month timeframe for customers to use their fuel points, we believe we are providing them with a very reasonable amount of time to take advantage of this promotion.

Our fuel program is very similar to other programs that have timeframes attached, such as seasonal price promotions, weekly sales, and coupons. To have legislation that required retailers to extend the timeframes on their promotional programs, would end up severely limiting what retailers could afford to offer, and the customers would be the ones who ultimately lose out.

We urge you to reject HB 5419 An Act Concerning Retail Gasoline Rewards Programs

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